

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2019-63-C – ORDER NO. 2019-417

JUNE 6, 2019

IN RE:)	
)	
Application of Comcast Phone of South)	
Carolina, Inc., for an Amended Certificate of)	
Public Convenience and Necessity to Provide)	ORDER GRANTING AMENDED
Local Exchange and Interexchange)	CERTIFICATE AND APPROVING
Telecommunications Services in the Service)	FLEXIBLE AND ALTERNATIVE
Area of Home Telephone Company, Inc., For)	REGULATION
Flexible Rate Structure for Local Exchange)	
Service Offerings, and for Alternative)	
Regulation)	
_____)	

This matter comes before the Public Service Commission of South Carolina (the “Commission”) by way of the Application of Comcast Phone of South Carolina, Inc. (“Comcast Phone” or the “Company”) seeking to amend the Certificate of Public Convenience and Necessity issued to Comcast Phone by the Commission.¹ By its Application, the Company seeks to provide local exchange and interexchange telecommunications services in communities in the local exchanges served by Home Telephone Company, Inc. d/b/a Home Telecom (“Home Telecom”). Comcast Phone also requested flexible rate structure authority and alternative regulation and

¹ The Commission first approved Comcast Phone’s Certificate of Public Convenience and Necessity to provide local exchange and interexchange telecommunications services in Order No. 1998-409 and 2004-604 in Docket No. 1998-54-C and approved alternative regulation in Docket No. 1995-661-C. *See Application of Comcast Telephony Communications of South Carolina, Inc. for a Certificate of Public Convenience and Necessity to Provide Competitive Local Exchange, Private Line and Special Access Services in those Portions of the State of South Carolina Served by BellSouth Telecommunications, Inc.*, Docket No. 1998-54-C, Order No. 1998-409 (June 3, 1998) (“Original Application”). The Commission also approved an amendment of the certificate in 2005. *See Application of Comcast Phone of South Carolina, Inc. for an Amended Certificate of Public Convenience and Necessity to Provide Local Exchange and Interexchange Telecommunications Services, for Flexible Rate Structure for Local Exchange Service Offerings and for Alternative Regulation*, Docket No. 2005-303-C, Order No. 2005-743 (Dec. 19, 2005).

waiver of requirements as outlined herein. In this order, the Commission grants the Company's requests.

The Commission's Clerk's Office instructed the Company to publish a one-time Notice of Filing and Hearing in newspapers of general circulation and to provide the Clerk's Office Proof of Publication. The Company complied with this instruction and provided the Commission with proof of publication of the Notice of Filing and Hearing. A Petition to Intervene was filed by Home Telecom, which was granted by the Commission in Order No. 2019-234 issued on March 27, 2019.

On March 29, 2019, the Company and Home Telecom entered into a Stipulation regarding, *inter alia*, preservation of federal and state law rights of the parties, which is attached and incorporated by reference as Order Exhibit 1.

On April 3, 2019, the Company filed a motion requesting that the Commission approve its application without a hearing and that it hold the hearing date and testimony filing deadlines in abeyance pending resolution of the motion. In its motion, the Company represented that the South Carolina Office of Regulatory Staff ("ORS") and Home Telecom did not oppose the motion.

On April 5, 2019, the Hearing Examiner issued Order No. 2019-48-H, holding the hearing date and testimony filing deadlines in abeyance.

Through the Application, the Company seeks to expand its authority to provide local exchange, interexchange, and other telecommunications services to include communities immediately north of Charleston, South Carolina, in local exchanges served by, and within the geographic service area of, Home Telecom ("Proposed Expanded Service Area"). Comcast Phone is a corporation organized and existing under the laws of the State of South Carolina and maintains its headquarters and principal place of business in Pennsylvania. The Company represents that, as a wholly-owned subsidiary of Comcast Corporation, the Company has sufficient financial

resources to initiate and maintain operations within the Proposed Expanded Service Area. The Company has an experienced management team that oversees its business and technical operations, and which will oversee operations in the Proposed Expanded Service Area. The Commission concluded in Order No. 1998-409, issued in Docket No. 1998-54-C on June 3, 1998, that Comcast Phone possesses the financial, managerial, and technical resources necessary to provide telecommunications services in South Carolina, and the Company represents that the basis for this conclusion remains unchanged.

The Company requests that the Commission allow it to employ a flexible local exchange rate structure in accordance with Order No. 1998-165 in Docket No. 1997-467-C. Specifically, Comcast Phone requests that (a) the Commission adopt, for Comcast Phone's local exchange services, a competitive rate structure incorporating maximum rate levels with the flexibility for rate adjustment below the maximum rate levels; and (b) its local exchange service tariff filings be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of such filings.

Comcast Phone also requests that all of its future service offerings be regulated pursuant to the procedures described and set out in Order No. 1995-1734 and 1996-55 in Docket No. 1995-661-C, as modified by Order No. 2001-997 in Docket No. 2000-407-C, commensurate with its current regulatory status. Specifically, the Company requests: (a) removal of tariff requirements for business services, consumer card, operator services, private line offerings; (b) a presumption that the tariff filings for these uncapped offerings are valid upon filing—if the Commission institutes an investigation of a particular filing within seven (7) days, the tariff filing will be suspended until further order of the Commission; and (c) that the Commission grant the Applicant the same treatment as it currently receives elsewhere in the state.

The Company also requests that the Commission grant it a waiver of regulatory requirements that are inapplicable to similarly situated providers of interexchange and local exchange services. Pursuant to S.C. Code Ann. Regs. 103-601(3), Comcast Phone requests a waiver of the following regulations and policies: (a) S.C. Code Ann. Regs. 103-610, inasmuch as the Company's principle place of business is in Philadelphia, Pennsylvania, and the Company has pledged to provide requested information upon request in a timely manner; (b) policies that would require the Company to keep its records under the USOA is reasonable, inasmuch as the Company uses Generally Accepted Accounting Principles or GAAP accounting, which provides the Commission with a reliable means by which to evaluate the Company's operations; (c) S.C. Code Ann. Regs. 103-631, inasmuch as the Company anticipates providing exclusively wholesale services to interconnected voice over internet protocol (VoIP) providers and third-party interexchange carriers and does not anticipate serving end-users who will require listing services; and (d) S.C. Code Ann. Regs. 103-612(2.3), inasmuch as the Company will be offering service within the geographic service area of Home Telecom and will adopt Home Telecom's rate centers for jurisdictional purposes.

After full consideration of the applicable law and the Company's Application, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. Comcast Phone seeks to expand its authority to provide local exchange, interexchange, and other telecommunications services to include communities within the Proposed Expanded Service Area.
2. No party opposes the authority requested by Comcast Phone.
3. We find that Comcast Phone possesses the managerial experience and resources to provide the services described within the Proposed Expanded Service Area

4. We find that Comcast Phone possesses sufficient technical and financial resources to provide the services as described in its Application.

5. We find that the amendment of the Company's Certificate of Public Convenience and Necessity, as requested, would be in the best interest of the citizens of South Carolina by permitting Comcast Phone to provide service at competitive prices in the Proposed Expanded Service Area. We further find that the introduction of an additional competitor in the Proposed Expanded Service Area will expand the range of service options available to customers, which will enhance the availability, affordability, and quality of telecommunications services for South Carolina consumers.

6. Comcast Phone currently maintains its books and records in Pennsylvania and requests a waiver of S.C. Code Ann. Regs. 103-610. The Commission finds the Company's requested waiver reasonable and in the public interest, and understands the potential difficulty presented to the Company should the waiver not be granted.

7. We find that exemption from the policies that would require the Company to keep its records under the USOA is reasonable and in the public interest. The Company currently uses Generally Accepted Accounting Principles or GAAP accounting, which will provide the Commission with a reliable means by which to evaluate the Company's operations.

8. We find that a waiver of the requirement to file operating maps pursuant to S.C. Code Ann. Regs. 103-612(2.3) is reasonable and in the public interest since the Company will be offering service within the geographic service area of Home Telecom and will adopt Home Telecom's rate centers for jurisdictional purposes.

9. We find that a waiver of S.C. Code Ann. Regs. 103-631 is reasonable and in the public interest. At this time, the Company anticipates providing exclusively wholesale services to

interconnected voice over internet protocol (VoIP) providers and third-party interexchange carriers and does not anticipate serving end-users who will require listing services.

10. We find that the Company's provision of service will not adversely impact the availability of affordable local exchange service, the Company will support universally available telephone service at affordable rates, the services to be provided by the Company will meet the service standards of the Commission, and the provision of local exchange service by the Company does not otherwise adversely impact the public interest.

CONCLUSIONS OF LAW

1. The Commission concludes that Comcast possesses the managerial, technical, and financial resources to provide the telecommunications services as described in its Application.

2. The Commission concludes that the Company will participate in the support of universally available telephone service at affordable rates to the extent that the Company may be required to do so by the Commission.

3. The Commission concludes that the Company will provide services which will meet the service standards of the Commission.

4. The Commission concludes that approval of Comcast Phone's Application will serve the public interest by enhancing competition in the State of South Carolina, by offering additional service offerings to South Carolina's consumers, and by providing for efficient use of existing telecommunications resources.

5. The Commission concludes that the provision of telecommunications service by Comcast Phone will not adversely impact the public interest.

6. The Commission concludes that the issuance of the authority to provide the services in the Proposed Expanded Service Area as requested by the Company and as set forth in its Application is in the best interests of the citizens of the State of South Carolina.

7. The Commission concludes that the requested amendment of the Company's Certificate of Public Convenience and Necessity should be granted.

8. The Commission authorizes the Company to employ a flexible local exchange rate structure in accordance with Order No. 1998-165 in Docket No. 1997-467-C, including, for Comcast Phone's local exchange services, a competitive rate structure incorporating maximum rate levels with the flexibility for rate adjustment below the maximum rate levels, and that its local exchange service tariff filings be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of such filings.

9. The Commission authorizes that all of Comcast Phone's future service offerings be regulated pursuant to the procedures described and set out in Order No. 1995-1734 and 1996-55 in Docket No. 1995-661-C, as modified by Order No. 2001-997 in Docket No. 2000-407-C, commensurate with its current regulatory status. Specifically, the Commission permits the removal of tariff requirements for business services, consumer card, operator services, private line offerings, grants the Company a presumption that the tariff filings for these uncapped offerings are valid upon filing—if the Commission institutes an investigation of a particular filing within seven (7) days, the tariff filing will be suspended until further order of the Commission—and grants the Applicant the same treatment as it currently receives elsewhere in the state.

10. We conclude that Comcast Phone's request for waiver of S.C. Code Ann. Regs. 103-610 should be granted as strict compliance with the regulation would cause undue hardship on the Company. We also grant an exemption from the policies requiring the use of USOA, as well as S.C. Code Ann. Regs. 103-612(2.3) and 103-631.

11. The Stipulation between Comcast Phone and Home Telecom should be approved.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. The requested amendment to Comcast Phone's Certificate of Public Convenience and Necessity is granted in order to permit the Company to offer local exchange and interexchange telecommunications services within the Proposed Expanded Service Area.

2. The Company is authorized to employ a flexible local exchange rate structure in accordance with Order No. 1998-165 in Docket No. 1997-467-C, including, for Comcast Phone's local exchange services, a competitive rate structure incorporating maximum rate levels with the flexibility for rate adjustment below the maximum rate levels, and that its local exchange service tariff filings be presumed valid upon filing, subject to possible challenge within thirty (30) days to institute an investigation of such filings.

3. Comcast Phone's future service offerings shall be regulated pursuant to the procedures described and set out in Order No. 1995-1734 and 1996-55 in Docket No. 1995-661-C, as modified by Order No. 2001-997 in Docket No. 2000-407-C, commensurate with its current regulatory status. Specifically, the Commission permits the removal of tariff requirements for business services, consumer card, operator services, private line offerings, grants the Company a presumption that the tariff filings for these uncapped offerings are valid upon filing—subject to possible challenge within seven (7) days of the filing. If the Commission institutes an investigation of a particular filing, the tariff filing will be suspended until further order of the Commission. The Commission grants the Applicant the same treatment as it currently receives elsewhere in the state.

4. Comcast Phone's request for waiver of S.C. Code Ann. Regs. 103-610, S.C. Code Ann. Regs. 103-612(2.3) and 103-631, as well as an exemption from the policies requiring the use of USOA, are granted.

5. The Stipulation between Comcast Phone and Home Telecom is approved.

6. Comcast Phone shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, the Company shall keep financial records on an intrastate basis for South Carolina to comply with the annual report and gross receipts filings. The proper form for filing annual financial information can be found at the Commission's website at www.psc.sc.gov/Forms or at the ORS's website at www.ors.sc.gov. The title of this form is "Telecommunications Company Annual Report." This form shall be utilized by the Company to file annual financial information with the Commission and ORS and shall be filed no later than **April 1st**.

7. Commission gross receipts forms are due to be filed with the Commission and ORS no later than **August 31st** of each year. The proper form for filing gross receipts information can be found at the ORS website at www.ors.sc.gov, and the appropriate form is entitled "Gross Receipts Form."

8. Each telecommunications company certified in South Carolina is required to file annually with the ORS the Intrastate Universal Service Fund ("USF") worksheet, which may be found on the ORS's website at www.ors.sc.gov. This worksheet provides ORS information required to determine each telecommunications company's liability to the State USF fund. The Intrastate USF worksheet is due to be filed annually no later than **August 1st** with the Commission and ORS.

9. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission and ORS in writing the name of the authorized representative to be contacted in connection with general management duties as well as


emergencies which occur during non-office hours. The Company shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the ORS’s website at www.ors.sc.gov; this form shall be utilized for the provision of this information to the Commission and ORS. Further, the Company shall promptly notify the Commission and ORS in writing if the representatives are replaced.


10. The Company is directed to comply with all Rules and Regulations of the Commission unless a regulation is specifically waived by the Commission.

11. The Company is required to comply with Title 23, Chapter 47 of the South Carolina Code Annotated, which governs the establishment and implementation of a “Public Safety Communications Center,” which is more commonly known as a “911” system or “911 service.” Services available through a 911 system include law enforcement, fire, and emergency medical services. In recognition of the necessity of quality 911 services being provided to the citizens of South Carolina, the commission hereby instructs the Company to contact the appropriate authorities regarding 911 services in the counties and cities where the Company will be operating, should the Company become interconnected to the public switched telephone network. Contact information for local 911 providers is available on the Commission’s website under “E-911 Information.” By this Order and prior to providing local telephone services in South Carolina, the Company shall contact the 911 coordinator in each county (and city where the city has its own 911 system) and shall provide information regarding the Company’s operations as required by the 911 system.

12. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Comer H. Randall, Chairman


Justin T. Williams, Vice Chairman
(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

Docket No. 2019-63-C

Re: Application of Comcast Phone of South Carolina, Inc.)
for an Amended Certificate of Public Convenience)
and Necessity to Provide Local Exchange and)
Interexchange Telecommunications Services in the) **STIPULATION**
Service Area of Home Telephone Company, Inc., for)
Flexible Rate Structure for Local Exchange Service)
Offerings, and for Alternative Regulation)
_____)

Home Telephone ILEC, LLC d/b/a Home Telecom (“Home”) and Comcast Phone of South Carolina, Inc. (“Applicant”) hereby enter into the following stipulations. As a consequence of these stipulations and conditions, Home does not oppose Applicant’s Application. Home and Applicant stipulate and agree as follows:

1. Home does not oppose the granting of an amended Certificate of Public Convenience and Necessity to Applicant to include Home’s service area, provided the South Carolina Public Service Commission (“Commission”) makes the necessary findings to justify granting of such a certificate, and provided the conditions contained within this stipulation are met.

2. Applicant stipulates that it is not asking the Commission to make a finding at this time regarding whether competition is in the public interest for rural areas.

3. Applicant stipulates and agrees that it is not seeking to terminate Home’s rural exemption under 47 U.S.C. § 251(f)(1). Should Applicant seek services from Home pursuant to 47 U.S.C. § 251(c) in the future, Applicant will follow the appropriate procedures under State and Federal law, and will provide sufficient notice to allow Home the opportunity to petition the Commission to exercise all rights afforded it under Federal and State law.

4. The parties stipulate and agree that all rights under Federal and State law are reserved to Home and Applicant, and this Stipulation in no way suspends or adversely affects such rights, including any exemptions, suspensions, or modifications to which they may be entitled.

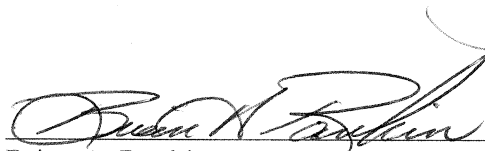
5. Applicant agrees to abide by all State and Federal laws and to participate, to the extent it may be required to do so by the Commission, in the support of universally available telephone service at affordable rates.

6. Applicant hereby amends its application and its prefiled testimony in this docket to the extent necessary to conform with this Stipulation.

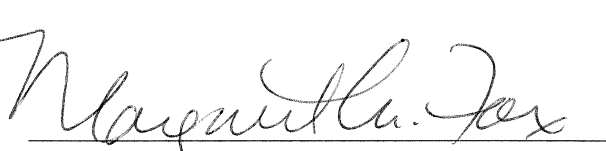
AGREED AND STIPULATED to this 20th day of March, 2019.

Comcast Phone of South Carolina, Inc.

Home Telephone ILEC, LLC



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